1 2 3 4 5 6 7 UNITED STATES DISTRICT COURT 8 WESTERN DISTRICT OF WASHINGTON AT SEATTLE 9 10 BANK OF THE PACIFIC, IN ADMIRALTY 11 Plaintiff, Case No. 2:20-cv-01103 12 VS. ORDER APPOINTING MARINE LENDERS SERVICES LLC AS 13 F/V ELECTRA BLUE, Official Number SUBSTITUTE CUSTODIAN 567048 in rem; and FISHING BLUES, 14 LLC, ZED BLUE and ROBIN BLUE, [CLERK'S ACTION REQUIRED] husband and wife, in personam, 15 Defendants, 16 17 Plaintiff Bank of the Pacific, having moved this Court for an Order appointing Marine 18 Lenders Services LLC ("Marie Lenders") as substitute custodian, in lieu of the U.S. Marshal, of 19 the defendant vessels F/V ELECTRA BLUE, Official Number 567048 (collectively with all 20 appurtenances, the "ELECTRA BLUE" or "Vessel"), and all its appurtenances, including 360 21 crab pots ("Crab Pots") and the Court having reviewed Plaintiff's Motion for Appointment of 22 Substitute Custodian dated July 16, 2020, and the Declaration of Buck Fowler, Jr. dated July 8, 23 2020 in support of that Motion, makes the following recitals: 24 25 26

## Recitals

- 1. On July 16, 2020, Bank of the Pacific filed its verified Complaint herein, requesting that the vessel F/V ELECTRA BLUE, Official No. 567048 (the "Vessel"), its engines, machinery, and other appurtenances, be condemned and sold to pay plaintiff's claims and for other proper relief.
- 2. It is anticipated that the Clerk of the Court will be authorized by this Court to issue a Warrant of Arrest commanding the United States Marshal for this District to arrest and take the Vessel and its appurtenances, including 360 crab pots (the "Crab Pots"), into custody and to detain it in custody until further order of this Court.
- 3. It is contemplated that the United States Marshal will seize the Vessel and Crab Pots forthwith. Custody of the Vessel by the U.S. Marshal requires the services of one or more keepers at a charge of at least \$1,200.00 per day per keeper, not including charges for moorage and the other services usually associated with safekeeping vessels similar to the defendant Vessel. Custody of the Crab Pots by the U.S. Marshal would similarly require the services of one or more keepers at a charge of at least \$1,200.00 per day per keeper, not including charges for storage and the other services usually associated with safekeeping of the fishing gear.
- 4. The defendant Vessel is currently moored at Squalicum Harbor Marina in Bellingham, Washington. After arrest, it may be necessary to move the vessel to the facilities of Marine Lenders Services, LLC at 5350 30th Avenue NW, Seattle, Washington, or to other suitable moorage. It is anticipated that after arrest prior members of the crew of the vessel may wish to remove items of personal property belonging to such crew members, and that persons interested in purchasing the vessel, either in lieu of foreclosure or in anticipation of the Marshal's sale of the vessel, may wish to board the vessel for purposes of conducting visual examinations of the vessel and its equipment. Plaintiff is agreeable to facilitating prior crew members

removing their items of personal property, and interested parties inspecting the vessel on the terms stated in this Order.

- 5. The Crab Pots are believed to be in storage in Westport, Washington.
- 6. Plaintiff is agreeable to allowing Marine Lenders Services, LLC to assume the responsibility of safekeeping the Vessel and its Crab Pots, and Marine Lenders Services, LLC has consented to act as custodian of the Vessel and the Crab Pots until further order of this Court. Fees and expenses to be charged by Marine Lenders Services, LLC will be substantially less than the cost of leaving the Vessel and the Crab Pots in the custody of the U.S. Marshal.
- 6. Buck W. Fowler Jr, Managing Member by declaration, has stated that Marine Lenders Services, LLC has no interest in the outcome of this lawsuit, can arrange for adequate facilities and supervision for the proper safekeeping of the vessel, and has obtained the legal liability insurance through Great American (Policy No. CL1932503366) with policy limits of not less than \$2,000,000 which is expected to be adequate to respond in damages for loss of or injury to the Vessel resulting from their legal liability or for damages sustained by third parities due to any acts, faults or negligence of the substitute custodian. Further, in his declaration, Buck W. Fowler Jr, on behalf of Marine Lenders Services, LLC has agreed to accept custody of the vessel and its equipment, including the crab pots, in accordance with the terms of this Order.
- 7. In consideration of the U.S. Marshal's consent to the appointment of Marine Lenders Services, LLC as substitute custodian, plaintiff agrees to release the United States and the U.S. Marshal from any and all liability and responsibility arising out of the care and custody of the defendant vessel and its equipment, from the time the U.S. Marshal transfers custody of the vessel over to the substitute custodian, and plaintiff further agrees to indemnify and hold the United States and the U.S. Marshal harmless from any and all claims whatsoever arising out of the substitute custodian's possession and safekeeping of the Vessel and its Crab Pots.

LLC AS SUBSTITUTE CUSTODIAN - 3

ORDER APPOINTING MARINE LENDERS SERVICES

## <u>Order</u>

## NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

- 1. That upon the seizure of the defendant vessel, the F/V ELECTRA BLUE, Official No. 567048, and all its appurtenances, including the Crab Pots, pursuant to the Warrant of Arrest, the U.S. Marshal for the Western District of Washington is authorized and directed to surrender custody of the vessel to Marine Lenders Services, LLC as substitute custodian herein, and that upon such surrender, the Marshal shall be discharged from his/her duties and responsibilities for the safekeeping of the vessel and held harmless from any and all claims arising out of said custodial services.
- 2. That Marine Lenders Services, LLC, as substitute custodian, shall see to and be responsible for the safekeeping of the Vessel and its Crab Pots. The duties of the substitute custodian shall include, but are not limited to, ensuring that there is adequate, safe moorage for the Vessel and storage for the Crab Pots. The substitute custodian is not required to have a person live on board the Vessel, but an officer or authorized agent of the substitute custodian shall go on board the Vessel, from time to time to carry out the duties of substitute custodian. No other person shall be allowed to enter on the Vessel except as provided for herein or as otherwise expressly authorized by order of this Court.
- 3. That the defendant Vessel may be moved by tug or other safe means from its present moorage or storage to adequate, safe moorage at the facilities of the substitute custodian on the Lake Washington Ship Canal, Seattle, Washington or other suitable location. The substitute custodian shall notify the office of the U.S. Marshal that the Vessel is to be moved and shall again notify the office of the U.S. Marshal when the Vessel has been moved. Once the Vessel has been moved to the facilities of the substitute custodian or other suitable moorage, the Vessel shall not be moved again without further order of the Court. The Crab Pots may be moved from their present storage location to another safe storage location selected by the substitute custodian. The substitute custodian shall notify the office of the U.S. Marshal that the

Crab Pots are to be moved and shall again notify the office of the U.S. Marshal when the Crab Pots have been moved.

- 4. That Marine Lenders Services, LLC, as substitute custodian, may if necessary offload any cargo aboard the Vessel and arrange for storage of the same at a suitable storage facility. The substitute custodian shall notify the office of the U.S. Marshal prior to engaging in any such offloading of cargo and again upon the completion of any such offloading.
- 5. That Marine Lenders Services, LLC, as substitute custodian, with Plaintiff's approval, may permit the Vessel to conduct normal operations while under Marine Lenders Services LLC custodianship, including fueling, loading, discharging, cargo handling, repairs, and vessel movement within the District, but at the risk and expense of the Vessel's interests. The substitute custodian Marine Lenders Services, LLC shall ensure that the operations of the Vessel conducted are normal port operations, *i.e.*, normal cargo operations, both discharging and loading, repair work, fueling, and vessel movement, and that the Vessel always remains within the waters of the District, unless and until otherwise ordered by the Court. The substitute custodian shall notify the office of the U.S. Marshal prior to engaging in any such loading, fueling and vessel movement and again upon the completion of such activity.
- 6. That Marine Lenders Services, LLC, as substitute custodian, may if necessary offload any fuel and arrange for disposal of the same. The substitute custodian shall notify the office of the U.S. marshal prior to engaging in any such offloading and again upon the completion of any such offloading.
- 7. That Marine Lenders Services, LLC, as substitute custodian, may, but is not required to, retain a marine engineer familiar with the Vessel and to take him or her on board the Vessel with authorized agents of Marine Lenders Services, LLC to assist in the securing of the Vessel.
- 8. That Marine Lenders Services, LLC, as substitute custodian, may, but is not required to, remove those pieces of electronic equipment on board the Vessel, if any, which may

be easily removed without damage to the Vessel, and that such removed electronic equipment shall be stored in a safe, secure storage pending further Order of this Court.

- 9. That Marine Lenders Services, LLC, as substitute custodian, may, but is not required to, retain such services as are necessary to clean the interior and/or exterior of the Vessel, remove food products with such services to be performed under the supervision of the substitute custodian.
- 10. That plaintiff shall arrange to pay charges for moorage or dryland storage of the Vessel and the fees, costs and legal liability insurance premiums of the substitute custodian and shall reimburse the substitute custodian for such other costs as may be incurred in conduction of the inventory of the equipment on board, in securing the Vessel, in having the Vessel cleaned, in moving the Vessel, coordinating removal of personal effects by crew members and inspections by prospective purchasers, and / or in offloading any cargo or fuel from the Vessel.
- 11. Prospective purchasers of the defendant Vessel F/V ELECTRA BLUE and, if requested, their designated marine surveyors, may be allowed reasonable access to the Vessel for purposes of conducting visual inspections, surveys by marine surveyors, and possible sampling of the lubricating oils of the vessel's engines, reduction gears, generators, and other rotating machinery for chemical analysis, pursuant to the following terms and conditions:
  - A. All such inspections, surveys, and/or samplings shall be conducted under the supervision of the Substitute Custodian, Marine Lenders Service, LLC, at such times and location, and by such individuals, as may be approved by, and arranged in advance with, the substitute custodian. The costs of the substitute custodian's services for such activities shall be a *custodia legis* cost in these proceedings.
  - B. Any and all persons boarding any of the Vessel for any purpose must first provide to the aforesaid Substitute Custodian a properly executed release in the form of the attached Exhibit A.

ORDER APPOINTING MARINE LENDERS SERVICES

- C. No papers, equipment, supplies or other materials, with the exception of oil samples, may be removed from any of the Vessel except upon the prior written approval of the Substitute Custodian or Plaintiff's counsel.
  - D. This Order does not approve sea trials by any prospective purchaser.
- 12. Any prior master or member of the crew of the Vessel may, with the prior permission of the substitute custodian, board the Vessel for the purpose of identifying and removing clothing and other personal effects of the master or crew member, subject to the following conditions: Prior to any such boarding(s) the conditions stated in subparagraph 11(B), above, must first be satisfied, and prior to the removal of any personal effects, such personal effects to be removed from the Vessel must be first specifically identified to Plaintiff's satisfaction and their removal authorized in writing by Plaintiff or Plaintiff's counsel.
- 13. That subject to final approval by the Court, all fees, costs and expenses incurred by plaintiff or the substitute custodian pursuant to the terms of this Order shall be deemed administrative expenses of the U.S. Marshal.
- 14. That plaintiff's attorney shall send a copy of this Order to the owner of the defendant Vessel at the last address known by plaintiff, and to the address shown on the record of the U.S. Coast Guard by Certified Mail, Return Receipt Requested.

DATED: July 17, 2020

RICARDO S. MARTINEZ

UNITED STATES DISTRICT JUDGE

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[PROPOSED] ORDER APPOINTING MARINE LENDERS SERVICES LLC AS SUBSTITUTE CUSTODIAN - 8

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